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1963/10/14

THE WHITE HOUSE
WASHINGTON

October 16, 1963

Mac:

The President should see this.

M. V. Forrestal

Mr. Bundy

TELEGRAM INFORMATION REPORT TELEGRAM

Vietnam

CENTRAL INTELLIGENCE AGENCY

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COUNTRY	SOUTH VIETNAM	REPORT NO.	TDCS DB-3/657,250
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PLACE & DATE ACQ.	VIETNAM, SAIGON (12 OCTOBER 1963)		
APPRAISAL	COMMENTARY	FIELD REPORT NO.	

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2. THE DOMINATING FACTOR DURING THE WEEK ENDING ON 12 OCTOBER 1963 WAS THE STRONG UNDERCURRENT OF TENSION IN UNITED STATES-GOVERNMENT OF VIETNAM (GVN) RELATIONSHIPS, WITH THE DIEM REGIME DIGESTING AND SEEKING TO EVALUATE THE IMPLICATIONS OF PRESIDENT KENNEDY'S POLICY STATEMENT ON SOUTH

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TELEGRAM INFORMATION REPORT TELEGRAM

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VIETNAM AND SUBSEQUENT STATEMENTS BY THE PRESIDENT AND OTHER AMERICAN OFFICIALS. JUDGING BY THE ARTICLES IN THE TIMES OF VIETNAM, THE REGIME PROFESSES TO BE MOST IMPRESSED BY THE NEGATIVE ASPECTS OF THE PRESIDENTIAL POLICY PRONOUNCEMENT, I.E., THE REFERENCES TO THE CONTINUED SERIOUSNESS OF THE POLITICAL SITUATION IN SOUTH VIETNAM. THE TIMES OF VIETNAM CHOOSES TO INTERPRET THE STATEMENTS AS INDICATIVE OF CONTINUED AMERICAN DETERMINATION TO OVERTHROW THE REGIME IF IT DOES NOT GIVE IN TO AMERICAN PRESSURES FOR REFORM. THE TIMES OF VIETNAM TREATMENT OF RECENT DEVELOPMENTS CONVEYS THE UNMISTAKABLE IMPRESSION THAT THE DIEM/NHU COMBINE ARE PREPARED TO DIG IN FOR A PROTRACTED WAR OF ATTRITION WITH THE UNITED STATES, RESISTING PRESSURES FOR REFORM, SEEKING TO MUTE THESE PRESSURES BY EXPLOITING ANY DIFFERENCES WHICH MAY EMERGE AMONG AMERICAN POLICY MAKERS, AND ATTEMPTING TO DENY THE ALTERNATIVE OPTIONS OF THE UNITED STATES BY KEEPING A CLOSE WATCH ON DISSIDENT OR POTENTIALLY DISSIDENT ELEMENTS IN SAIGON.

3. THE AMERICAN OFFICIAL COMMUNITY IS ALSO NOW BEING KEPT UNDER CLOSE SCRUTINY BY THE VIETNAMESE POLICE AND OTHER SECURITY ELEMENTS; THE NATIONAL POLICE SPECIAL BRANCH CHIEF DUONG VAN HIEU'S SPECIAL ACTION GROUP IS REPORTEDLY ATTEMPTING TO DEVELOP INCRIMINATING DOSSIERS ON SELECTED AMERICAN OFFICIALS. DIEM HIMSELF IS REPORTED TO HAVE TOLD A CENTRAL VIETNAMESE POLITICAL LEADER THAT WHILE HE WAS STRONGLY IN FAVOR OF VARIOUS PROGRAMS, WHICH COULD BE CONTINUED, EXTREME CARE SHOULD BE EXERCISED BY RESPONSIBLE

VIETNAMESE OFFICIALS IN THEIR RELATIONS WITH AMERICANS. THE MOST DISTURBING OF ALL ARE THE REPORTS SUGGESTING THE POSSIBILITY THAT THE REGIME MIGHT STAGE A "SPONTANEOUS" DEMONSTRATION AGAINST THE AMERICAN EMBASSY, POSSIBLY CULMINATING IN ITS SACKING AND/OR THE ASSASSINATION OF KEY OFFICIALS, INCLUDING AMBASSADOR HENRY CABOT LODGE, JR. THESE REPORTS ARE DIFFICULT TO EVALUATE, THEIR SOURCING IS HAZY, AND IT IS POSSIBLE THAT THEY HAVE BEEN DELIBERATELY STARTED BY THE REGIME AS A PSYCHOLOGICAL WARFARE TACTIC, AIMED AT INTIMIDATING THE UNITED STATES AND KEEPING THE UNITED STATES OFF BALANCE. GENERAL CONFEDERATION OF VIETNAMESE LABOR PRESIDENT TRAN QUOC BUU HAS CLAIMED THAT RUMORS TO THE EFFECT THAT THE AMERICAN EMBASSY WAS GOING TO BE ATTACKED HAVE BEEN CIRCULATING FOR SEVERAL WEEKS. BUU TENDS TO DISCOUNT THEM. HOWEVER, IT IS BELIEVED THAT IT WOULD BE A MISTAKE TO DISCOUNT THE POSSIBILITY COMPLETELY.

4. CONVERSELY, OPPONENTS OF THE REGIME, INCLUDING A SIZEABLE PORTION OF THE SAIGON URBAN ELITE BOTH INSIDE AND OUTSIDE OF THE GOVERNMENT, APPEAR DISHEARTENED OVER, AND IN SOME CASES CONTEMPTUOUS OF, AMERICAN FAILURE TO REACT TO WHAT THEY CONSIDER TO BE HIGHLY PROVOCATIVE ACTS ON THE PART OF THE REGIME. THE MORALE OF THESE ELEMENTS IS ALSO BEING ADVERSELY AFFECTED BY THE CONTINUED ATMOSPHERE OF FEAR AND UNCERTAINTY BROUGHT ABOUT BY THE HEAVY SECURITY CONTROLS AND BY ADDITIONAL ARRESTS. AMONG THOSE WHO HAVE BEEN ARRESTED RECENTLY ARE THE SENIOR VICE PRESIDENT OF THE GENERAL CONFEDERATION OF VIETNAMESE LABOR, DAM SY HIEN; THE BROTHER OF LIEUTENANT COLONEL BUI KIEN TIN, PRESIDENT DIEM'S PHYSICIAN; AND, CAPTAIN DINH THANH BICH, AIDE TO BRIGADIER

GENERAL VAN THANH CAO, GOVERNMENT DELEGATE FOR THE SOUTHEASTERN PROVINCES. THE SPECIAL POLICE ARE REPORTED TO HAVE ARRESTED 130 STUDENTS IN THE SAIGON AREA IN A SURPRISE ROUNDUP ON THE NIGHT OF 7 OCTOBER.

5. REPORTS INDICATE, MEANWHILE, THAT THE REGIME USED THE DETENTION PERIOD OF THE STUDENTS WHO HAD BEEN PREVIOUSLY ARRESTED BUT SUBSEQUENTLY RELEASED TO "REINDOCTRINATE" THEM AND TO RECRUIT LEADERS FOR THE NEW NATIONAL UNION OF STUDENTS WHICH NGO DINH NHU IS ALLEGEDLY IN THE PROCESS OF ORGANIZING. (HEADQUARTERS COMMENT. THE CONNECTION BETWEEN THE "NEW" NATIONAL UNION OF STUDENTS AND THE EXISTING NATIONAL UNION OF STUDENTS (TONG HOI SINH VIEN VIET NAM) IS BEING CHECKED FURTHER.) THE CREATION OF AN OSTENSIBLY PRIVATE STUDENT ORGANIZATION TO MONITOR STUDENT ACTIVITIES AND TO ABSORB OR NEUTRALIZE OTHER MORE GENUINE STUDENT GROUPS IS A TYPICAL ACTION OF THE DIEM REGIME, BUT IT REMAINS TO BE SEEN WHETHER, WITH THE PRESENT MOOD OF THE STUDENTS, IT WILL BE SUCCESSFUL IN SMOTHERING OR DEFLECTING THEIR DISCONTENT AND ANTIREGIME FEELING. OTHER REPORTS INDICATE THAT VARIOUS STUDENT GROUPS ARE CONTINUING TO PLAN ANTIREGIME ACTIVITIES AND THAT A TREND TOWARD SOME COALESCENCE BETWEEN THESE HITHERTO DISPARATE GROUPS IS BEGINNING TO DEVELOP.

6. THERE HAVE BEEN NO SELF-BURNINGS BY BONZES SINCE THE ONE AT THE CENTRAL MARKET PLACE ON 5 OCTOBER; HOWEVER, THICH TRI QUANG, IN ASYLUM IN THE AMERICAN EMBASSY, HAS REMARKED TO EMBASSY OFFICERS THAT HE ANTICIPATES MANY MORE. THE SECONDARY INTERSECT COMMITTEE LEADERSHIP, WHICH WAS REPORTED TO HAVE GONE UNDERGROUND AFTER THE PAGODA RAIDS, IS PROBABLY BADLY FRAGMENTED; ANOTHER REPORT

CLAIMED THAT INTERCOMMUNICATION BETWEEN VARIOUS CELLS OF THE REBELLIOUS BUDDHISTS HAS BEEN RENDERED DIFFICULT, IF NOT IMPOSSIBLE, BY PRESENT HEAVY GVN SECURITY MEASURES. ORGANIZATION OF FURTHER BONZE BURNINGS, EITHER BY THE COMPARTMENTED CELLS OF INTERSECT LEADERS, OR UNCOORDINATED SUICIDES BY INDIVIDUAL BUDDHISTS, IS PERHAPS ONE OF THE FEW FEASIBLE GESTURES WHICH REMAIN OPEN TO THE DISSIDENT BUDDHISTS.

7. WE HAVE RECEIVED SEVERAL REPORTS TENDING TO CONFIRM INDICATIONS OF GVN BELT TIGHTENING. SEVERAL SOURCES IN SAIGON HAVE NOW REPORTED THAT THE GOVERNMENT IS INDEED CUTTING BACK ON FUNCTIONARY SALARY PAYMENTS. A CONSULAR OFFICER IN HUE REPORTS A SIMILAR PRACTICE WAS BEING ADOPTED THERE. THE POLICY MAY MERELY REFLECT AN ANTICIPATORY GVN RESPONSE TO A POSSIBLE US-INITIATED CUTBACK IN AID. A LESSER POSSIBILITY, BUT ONE WHICH CANNOT BE OVERLOOKED, IS THAT NGO DINH NHU IS CONDITIONING OFFICIALS TO AN EVENTUAL FULL BREAK WITH THE UNITED STATES, BROUGHT ABOUT AT THE INITIATIVE OF THE DIEM REGIME.

8. LITTLE INFORMATION HAS BEEN RECEIVED ON THE PROGRESS OF THE DIALOGUE BETWEEN THE GENERALS AND DIEM/NHU ON THE ALLOCATION OF CABINET PORTFOLIOS TO THE MILITARY OR ON OTHER DEMANDS REPORTEDLY MADE BY THE GENERALS. ONE POSSIBLE INDICATION THAT DIEM AND NHU MAY BE MEETING WITH SOME SUCCESS IN WINNING OVER THE GENERALS, OR AT LEAST IN PLAYING FOR TIME, IS THE COOL RECEPTION JOINT GENERAL STAFF CHIEF OF STAFF BRIGADIER GENERAL TRAN THIEN KHIEM RECENTLY GAVE AN AMERICAN OFFICIAL. KHIEM HAS BEEN UNDECIDED ON THE IDEA OF A COUP D'ETAT AND IT MAY BE THAT HE HAS BEEN PERSUADED THAT IT IS MORE IN HIS

INTEREST TO GO ALONG WITH NHU. COLONEL PHAM NGOC THAO, A SELF-ADMITTED COUP D'ETAT PLOTTER, RECENTLY TOLD AN AMERICAN OBSERVER THAT KHIEM HAD INFORMED HIM THAT ORGANIZING A COUP D'ETAT ATTEMPT HAD BEEN MADE MORE DIFFICULT BY THE AMERICAN POLICY STATEMENT OF 2 OCTOBER, WHICH KHIEM CHOSE TO INTERPRET AS REPRESENTING AMERICAN CAPITULATION TO DIEM AND NHU. KHIEM WAS ALSO QUOTED AS STATING THAT THE VIETNAMESE PEOPLE DO NOT CARE WHO WINS THE WAR; THEY SIMPLY WANT PEACE. THAO SPECULATED THAT THE GENERALS' DETERMINATION TO EFFECT A COUP D'ETAT MAY ALSO HAVE BEEN ERODED BY DIEM'S ALLEGED PROMISE TO APPOINT GENERALS AS MINISTERS OF NATIONAL DEFENSE, INTERIOR, AND CIVIC ACTION.

9. ONE OF THE MAJOR DEVELOPMENTS ON THE MILITARY FRONT HAS BEEN THE TRANSFER OF THE NINTH DIVISION, NOW VIRTUALLY COMPLETED, FROM THE SECOND CORPS AREA TO THE DELTA, WHERE IT WILL BE RESPONSIBLE FOR THE SECURITY OF THE MIDDLE TIER OF DELTA PROVINCES WITH THE SEVENTH DIVISION OPERATING IN THE PROVINCES NEAREST SAIGON AND WITH THE TWENTY-FIRST DIVISION REMAINING IN THE DIFFICULT CA MAU PENINSULA AREA. THIS TRANSFER SHOULD MATERIALLY ENHANCE PROSPECTS FOR THE IMPROVEMENT IN THE DELTA. THE NINTH DIVISION SHOULD BE ESPECIALLY USEFUL IN CLEAR AND HOLD OPERATIONS IN SUPPORT OF THE STRATEGIC HAMLET CONSTRUCTION AND CONSOLIDATION, OPERATIONS WHICH HAVE BEEN ALL TOO LACKING IN THE CRITICAL DELTA AREA. THIS UNIT PIONEERED IN CLEAR AND HOLD OPERATIONS IN PHU YEN AND BINH DINH PROVINCES. ALTHOUGH THE NINTH DIVISION TRANSFER WAS PARTIALLY OFFSET IN THE SECOND CORPS AREAS BY THE DISPATCH OF AN INDEPENDENT REGIMENT FROM LONG AN, IT WILL THIN OUT THE FORCES IN THE CENTRAL COASTLAND AREA. THE

VIETNAMESE COMMUNISTS IN THE PAST TWO WEEKS HAVE ALREADY MOVED TO CAPITALIZE ON THE PERIOD OF THE TRANSFER TO SUBSTANTIALLY STEP UP ACTIVITIES IN BINH DINH PROVINCE, THE LOCATION OF ONE OF THE MORE SUCCESSFUL GVN PROVINCE REHABILITATION PROGRAMS. HOWEVER, IN A RECENT COMPANY-SIZED ATTACK, THE ENEMY SUSTAINED A SUBSTANTIAL DEFEAT AT THE HANDS OF THE TWENTY-FIFTH DIVISION, WHICH NOW IS RESPONSIBLE FOR BINH DINH AND PHU YEN.

10. FIELD DISSEM. STATE (AMBASSADOR LODGE), USMACV (GENERAL HARKINS), CINCPAC, PACFLT, PACAF, ARPAC.

END OF MESSAGE